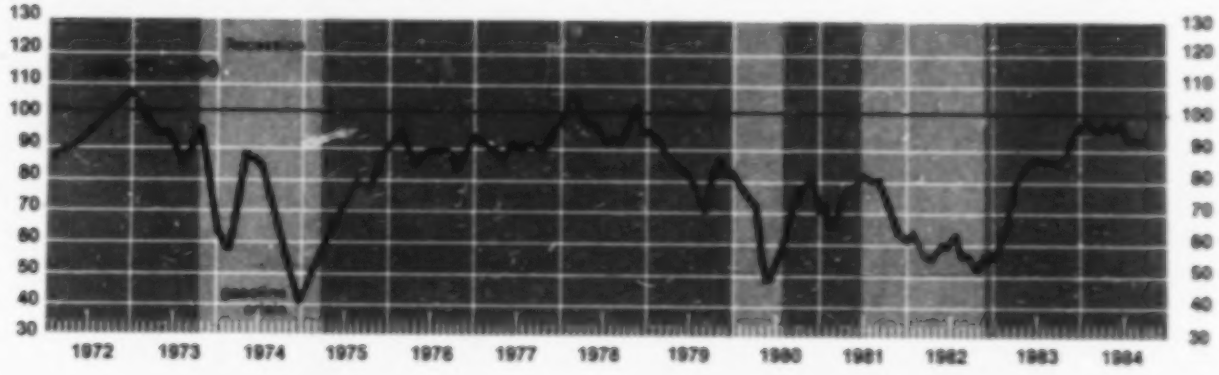
RH105-4A

Consumer Attitudes and Buying Plans

A Monthly Report from The Conference Board
Based on a Survey Conducted by NFO Research, Inc.

Consumer Confidence Index

November, 1984



CONSUMER SPIRITS HIGH BUYING PLANS STRONG

The measure of consumer confidence continues to remain steady and strong. The Board's Confidence Index (1969-70 = 100) registered 91.1 in October—unchanged from the prior month. Although confidence declined moderately during the first half of the year, it has stabilized at a reassuringly substantial level. Buying plans registered a good gain in October.

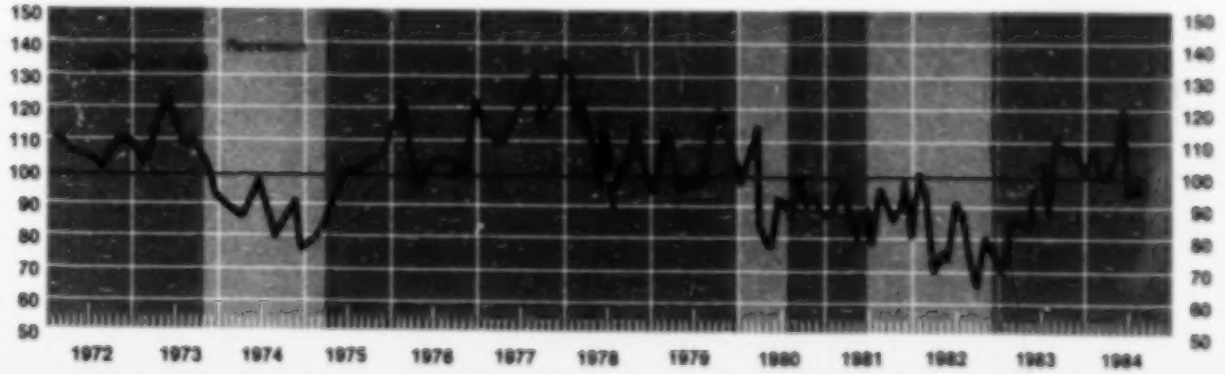
The consumers' assessment of the current scene, however, is somewhat less positive. Marginally fewer respondents than a month earlier say business conditions are "good," and there has also been a small decline in those who report that jobs are "plentiful."

However, in looking ahead to the next six months, consumers are more optimistic than they were in the preceding probe. A larger number now expect business to improve, and more persons believe that more jobs will be available. Further, in assessing their own financial outlook, a higher proportion of respondents now expect their incomes to increase.

Intentions to buy an automobile, which had dropped in September, regained half the ground, advancing to 7.8% from 7.0% earlier. Plans to purchase a home, however, edged down moderately to 3.2% of respondents from a prior 3.4 percent. Interest in major appliances, however, increased to 27.2% of respondents planning a purchase, up from an earlier 25.8 percent.

The continuing high spirits of consumers suggest that business in the coming months may be more vigorous than many professional observers of the economic scene have been predicting in recent weeks. In fact, given the relatively high and sustained level of consumer expectations for the immediate future—a measure which has an impressive record of foretelling subsequent events—it seems not unlikely that economic growth in the final three months of this year will be stronger than the third quarter GNP estimate recently released by Washington. All in all, consumers are approaching Christmas in relatively high spirits, a circumstance which bodes well for the nation's merchants. Recent survey results show none of the signs which usually precede recessions. Fabian Linden

Buying Plans Index



All data seasonally adjusted

Consumer Expectations and Intentions

Based on surveys conducted by NFO Research, Inc.

Percentage of all households = 100%

All series seasonally adjusted	1983 Oct.	Nov.	Dec.	1984 Jan.	Feb.	Mar.	Apr.	May	Jun.	July	Aug.	Sept.(r)	Oct.(p)
						Composite Series: Index Numbers, 1969-1970 = 100							
Consumer Confidence Index	85.7	90.2	95.1	98.4	95.7	94.5	97.9	95.2	97.1	91.0	91.9	91.0	91.1
Present Situation	44.0	51.1	57.9	63.2	67.2	69.0	73.1	75.0	83.0	77.5	78.7	79.8	76.5
Expectations	113.5	116.2	119.9	121.9	114.6	111.5	114.4	108.6	106.5	100.0	100.6	98.4	100.8
Buying Plans Index	109.9	108.9	108.5	101.4	108.0	103.9	99.4	105.1	121.6	94.5	100.6	93.3	104.0
						Appraisal of Present Situation: Percent							
Business Conditions													
Good	19.4	20.2	23.9	24.7	25.5	25.4	26.9	26.6	26.8	27.0	27.6	28.7	26.7
Bad	30.8	27.5	23.9	21.8	23.0	20.4	19.9	19.8	18.2	19.8	19.9	19.0	19.9
Normal	49.8	52.3	52.2	53.5	51.5	54.2	53.2	53.6	55.0	53.2	52.5	52.3	53.4
Employment													
Jobs plentiful	7.4	9.5	9.8	11.4	14.0	13.1	15.3	15.6	19.1	17.3	18.1	17.7	16.9
Jobs not so plentiful	49.3	50.4	51.2	50.4	49.6	51.9	48.9	51.2	50.7	49.9	49.0	49.3	50.0
Jobs hard to get	40.1	39.0	38.2	38.4	35.0	35.8	33.2	30.2	32.8	32.8	32.9	33.0	33.1
						Expectations for Six Months Hence: Percent							
Business Conditions													
Better	30.1	31.2	32.8	33.1	28.7	26.4	27.4	22.3	23.3	22.2	22.8	23.0	24.1
Worse	6.7	6.1	5.2	3.9	5.8	6.1	5.8	8.9	7.6	8.7	9.0	9.5	8.5
Same	63.2	62.7	62.0	63.0	65.5	67.5	66.8	70.8	69.1	69.1	68.2	67.5	67.4
Employment													
More jobs	24.8	25.6	25.9	25.7	21.4	20.6	20.2	17.6	17.1	16.5	16.7	16.2	18.4
Fewer jobs	13.8	11.9	10.6	10.6	11.9	12.1	11.4	12.2	13.3	15.8	15.2	16.0	16.8
Same	61.4	62.5	63.5	63.7	66.7	67.3	68.4	70.0	69.6	67.7	68.1	67.8	64.8
Income													
Increase	31.1	28.3	31.1	32.4	27.3	26.1	30.6	27.6	29.3	29.5	28.2	27.0	28.9
Decrease	7.6	7.8	7.7	7.3	6.3	7.2	6.8	6.2	6.1	7.6	7.5	7.5	8.6
Same	61.3	63.9	61.2	60.3	66.4	66.7	62.6	66.2	64.6	62.9	64.3	65.5	62.5
						Plans to Buy Within Six Months: Percent							
Automobile													
Yes	9.0	9.3	8.7	8.4	8.8	8.8	8.5	8.2	10.0	7.8	8.5	7.0	7.8
New	5.3	5.1	4.9	5.1	4.9	4.7	3.9	4.3	5.1	4.6	4.8	3.6	4.4
Used	3.3	3.4	3.3	2.5	3.4	3.0	3.0	3.2	3.3	2.5	2.8	2.3	2.7
Uncertain	0.4	0.8	0.5	0.8	0.5	1.1	1.6	0.7	1.6	0.7	0.9	1.1	0.7
Home													
Yes	3.6	3.6	3.6	3.4	3.8	3.3	3.1	3.7	3.8	3.0	3.3	3.4	3.2
New	1.0	1.2	1.2	1.0	0.9	0.8	0.9	1.0	1.3	1.0	0.9	1.1	1.0
Lived in	1.9	1.6	1.5	1.4	2.0	1.6	1.4	1.7	1.6	1.3	1.6	1.6	1.4
Uncertain	0.7	0.8	0.8	1.0	0.9	0.9	0.8	1.0	0.9	0.7	0.8	0.7	0.8
Major appliances													
Total plans	29.2	28.5	29.8	26.7	27.3	27.4	26.9	27.1	33.5	25.3	26.5	25.8	27.2
Refrigerator	3.4	3.5	3.7	3.2	3.6	3.6	3.7	3.9	5.0	4.1	4.0	4.1	3.5
Washing machine	3.3	3.6	3.6	3.4	4.0	3.8	3.2	3.6	4.0	2.8	3.4	3.3	3.4
Black and white TV	1.0	0.7	1.2	0.9	0.8	0.9	1.1	0.8	1.3	0.8	0.7	0.7	0.5
Color TV	8.0	7.5	8.2	7.8	7.0	7.5	7.7	7.0	8.4	6.1	7.7	7.0	7.5
Vacuum Cleaner	5.6	4.4	5.2	4.1	4.8	4.1	4.8	4.2	6.0	5.1	4.0	4.1	5.2
Range	2.6	2.4	2.7	2.6	2.6	2.9	2.3	2.4	3.0	2.3	2.6	2.9	2.3
Clothes dryer	3.1	2.7	3.3	2.8	2.9	2.6	2.7	3.2	3.3	2.7	3.0	2.5	3.3
Air conditioner	2.2	1.7	1.9	1.9	1.6	2.0	1.4	2.0	2.5	1.4	1.1	1.2	1.5
Carpet	7.1	8.1	7.4	6.5	7.3	7.2	5.9	6.8	8.5	6.2	6.9	6.3	6.9
						Vacation Intended Within Six Months: Percent							
Vacation Intended	49.6		48.5		45.8		46.9		49.4		49.0		48.6
Destination													
Home state	10.5		10.3		8.8		8.7		9.9		9.5		10.8
Other state	33.5		33.4		32.0		32.8		34.9		33.7		33.6
Foreign country	7.0		6.5		6.2		7.6		6.7		7.5		6.2
Means of Travel													
Automobile	31.3		30.4		29.9		29.8		33.0		31.3		30.6
Airplane	17.1		17.9		15.4		16.6		17.6		17.3		17.2
Other	4.1		3.6		3.5		3.8		3.9		4.6		3.8

New Series: Beginning May, 1981 the NFO sample includes all types of households, prior to that families only. To link results overlapping surveys were conducted for four months commencing with May. Data are available on request.

(p)—preliminary (r)—revised

Please Note: In the interest of speeding the data contained in this publication to you, these series are now available on-line through The Conference Board Data Base. For more information, contact Linette Stein Waters at (212) 759-0900.